



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

JUN 28 1993

Christopher A. Poling, Esq.
Legal and Contract Officer
Midwest Universities Consortium
for International Activities, Inc.(MUCIA)
Executive Office
66 East 15th Avenue
Columbus, OH 43201-1653

SUBJECT: Grant No. EUR-0029-G-00-3029-00

Dear Mr. Poling:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to the Midwest Universities Consortium for International Activities (MUCIA) (hereinafter referred to as "MUCIA" or "Grantee") the sum of seven hundred fifty-nine thousand, two hundred ninety-eight U.S. dollars (\$759,298) to support a program under the "Management Training and Economics Education Project in Central and Eastern Europe" Project (Project Number 180-0029), as more fully described in Enclosure 1 of this Grant entitled, "Schedule;" and, Enclosure 2, entitled "Program Description."

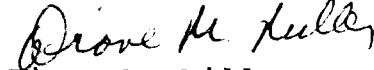
This Grant is effective and obligation is made as of the date of this Cover Letter and shall apply to commitments made by the Grantee in furtherance of program objectives for the period set forth in Section B of the Schedule of this Grant. Funds disbursed by A.I.D. but uncommitted by the Grantee at the expiration of this period shall be refunded to A.I.D.

The total estimated program amount is \$926,522. The total estimated A.I.D. amount is \$759,298 of which the full amount is hereby obligated (hereinafter referred to as the "Obligated Amount") and the Grantee is expected to fund \$167,224 in nonfederal contributions. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the Obligated Amount.

This Grant is made to MUCIA on the condition that the funds will be administered in accordance with the terms and conditions as set forth in this Cover Letter, Enclosure 1, entitled "Schedule," Enclosure 2, entitled "Program Description," and Enclosure 3, entitled "Standard Provisions," which together constitute the entire Grant document and have been agreed to by your organization.

Please sign the original and each copy of this cover letter to acknowledge your receipt of this Grant, and return the original and all but one copy for your files the undersigned.

Sincerely,



Diane M. Miller
Grant Officer
Eastern Europe Branch
Office of Procurement

Enclosures:

1. Schedule
2. Program Description
3. Standard Provisions

RECEIPT ACKNOWLEDGED:

MIDWEST UNIVERSITIES CONSORTIUM FOR INTERNATIONAL ACTIVITIES
(MUCIA)

BY: 

TYPED NAME: William L. Flinn

TITLE: President and Executive Director

DATE: 30 June 1993

FISCAL DATA

A. GENERAL

- A.1. Total Estimated Program Amount: \$926,522
- A.2. Total Obligated Amount: \$759,298
- A.3. Estimated Cost-SharingAmount(NonFed): \$167,224
- A.4. Project No.: 180-0029
- A.5. A.I.D. Project Office: EUR/DR, Steve French
- A.6. Funding Source: A.I.D./W
- A.7. Paying Office: FM/CMP/LC
- A.8. Tax I.D. No.: 36-6110422
- A.9. CEC: 12-358-896E
- A.10. Letter of Credit No.: 72-00-1333

B. SPECIFIC

- B.1.(a) PIO/T No.: 180-0029-3-3622304 (\$654,366)
- B.1.(b) Appropriation: 72-11X1010
- B.1.(c) Allotment: 184-62-180-01-69-31
- B.1.(d) BPC: QAIX-93-32180-IG-12
- B.1.(e) Amount Obligated: \$654,366

- B.2.(a) PIO/T No.: 180-0029-3-362-2303
- B.2.(b) Appropriation: 72-11X1010
- B.2.(c) Allotment: 184-62-180-00-69-31
- B.2.(d) BPC: QAIX-93-32180-KG-12
- B.2.(e) Amount Obligated: \$104,932

- B.3. Total Amount Obligated: \$759,298

ENCLOSURE 1

SCHEDULE

A. PURPOSE OF GRANT

The purpose of this Grant is to provide financial support for the program described in Enclosure 2 of this Grant entitled "Program Description."

B. PERIOD OF GRANT

B.1. The effective date of this Grant is January 1, 1993 and the estimated completion date is December 31, 1993.

B.2. Funds obligated hereunder shall be used to reimburse the Grantee for allowable program expenditures incurred by the Grantee in pursuit of program objectives for the estimated period from January 1, 1993 to approximately December 31, 1993.

C. AMOUNT OF GRANT AND PAYMENT

C.1. The total estimated program amount of this Grant is \$926,522.

C.2. The total amount of A.I.D. contribution to the total estimated program costs shown in C.1. above, to be provided through this Grant (hereinafter referred to as "Total A.I.D. Amount") for the period shown in B.1. above is \$759,298.

C.3. A.I.D. hereby obligates the full amount of \$759,298 (hereinafter referred to as the "Obligated Amount") for program expenditures during the estimated period set forth in Section B.2. above. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the Obligated Amount.

C.4. Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision of this Grant entitled "Payment - Letter of Credit," as set forth in Enclosure 3.

D. GRANT FINANCIAL PLAN

D.1. The following is the Financial Plan (budget) for the program amount of this Grant for its full period. The Grantee may not exceed the Total A.I.D. Amount or the Obligated Amount of this Grant, whichever is less (see Sections C.1. and C.2., respectively, of this Schedule). Any revisions to the grant financial plan must be made in accordance with the Standard Provision entitled "Revision of Grant Budget," as shown in Enclosure 3.

D.2. Financial Plan

| <u>Cost Element</u> | <u>A.I.D. Oblig. Amount</u> | <u>Cost Share</u> | <u>Total Program Amount</u> |
|---------------------|-------------------------------------|-----------------------|-------------------------------------|
| (a) DIRECT COSTS | | | |
| Salaries | \$181,911 | \$ 45,820 | \$227,731 |
| Fringe Benefits* | 63,364 | 17,320 | 80,684 |
| Travel/Per Diem | 118,491 | 0 | 118,491 |
| Nonexpendable | | | |
| Equipment | 30,000 | 0 | 30,000 |
| Other Direct | | | |
| Costs | <u>164,480</u> | <u>54,652</u> | <u>219,132</u> |
| SUBTOTAL | \$ 558,246 | \$117,792 | \$676,038 |
| (b) INDIRECT COSTS | | | |
| On-Campus @ 47.0% | 137,299 | \$ 41,426 | \$178,725 |
| Off-Campus @ 27.0% | <u>63,753</u> | <u>8,006</u> | <u>71,759</u> |
| TOTAL | \$759,298 | \$167,224 | \$926,522 |

* Fringe benefits applicable to direct salaries and wages are treated as direct costs. The following fringe benefits are included in the above fringe benefit line item: insurance premiums, FICA, and retirement.

D.3. Inclusion of any cost in the budget of this Grant does not obviate the requirement for prior approval by the Grant Officer of cost items designated as requiring prior approval by the applicable cost principles (see the Standard Provision of this Grant set forth in Attachment 3 entitled "Allowable Costs") and other terms and conditions of this Grant, unless specifically stated in Section I. below.

E. REPORTING REQUIREMENTS

E.1. Financial Reporting

E.1.(a) Financial reporting requirements shall be in accordance with the Standard Provision of this Grant entitled "Payment - Letter of Credit" as set forth in Enclosure 3.

E.1.(b) All financial reports shall be submitted to A.I.D., Office of Financial Management, FM/A/PNP, Room 700 SA-2, Washington, D.C. 20523-0209. In addition, three (3) copies of all financial reports shall be submitted to the A.I.D. Project Officer specified in the Fiscal Data page of this Grant.

E.1.(c) With the exception of the final financial report, all financial reports shall be submitted within thirty (30) days following the end of the reporting period. The final financial report shall be submitted within ninety (90) days following the estimated completion date of this Grant.

E.1.(d) The Grantee's financial reports shall include expenditures of A.I.D. Grant funds provided hereunder. The Grantee is expected to inform A.I.D. on the status of nonfederal matching funds in the financial report.

E.2. Program Performance Planning and Reporting

E.2.(a) Project Implementation Plan

Not later than ninety (90) days from the effective date of this Grant (see Section 1B. above), the Grantee shall prepare and submit to the A.I.D. Project Officer specified in the Cover Letter of this Grant three (3) copies and to the Grant Officer one (1) copy of an updated Project Implementation Plan (PIP), to include the additional year of the this Grant. The PIP may be either jointly developed by the U.S. grantee and the counterpart institution(s), or developed by the U.S. grantee and reviewed and concurrence by the local organization(s). The PIP must be signed by a representative of the counterpart institution(s).

The substantive areas to be included in the implementation plan include the following:

- 1). Local content or local relevance of training materials;
- 2). Management of the trainee selection system;
- 3). Local institution's commitment of facilities and staff;
- 4). Coordination with other USG funded and/or other donor programs (as applicable);

5). Comments and recommendations made by local (A.I.D. Representative, if available) U.S. Embassy during early field visits; and

6). The development of formative evaluation indicators.

The PIP with counterpart concurrence must be submitted to the appropriate AmEmbassy and EUR/DR within ninety (90) days of the signature date of this Grant. Compliance with this requirement will be one of the key indicators considered in reviewing grant implementation when considering future funding.

E.2.(b) Quarterly Reports by Reference to Quantifiable Indicators and Other Evaluation Benchmarks

E.2.(b)(1) The Grantee shall submit three (3) copies of quarterly program performance reports, which coincide with the financial reporting periods described in Section E.1. above, to the A.I.D. Project Office specified in the Cover Letter of this Grant, and to the A.I.D. Representative (or A.I.D. Affairs Officer, Economic Section at the AmEmbassy) of the country where the program is being undertaken. In addition, two copies shall be submitted to A.I.D., PPC/CDIE/DI, Washington, D.C. 20523-1802. These reports shall include quantitative and qualitative measures of performance, shall be submitted within thirty (30) days following the end of the reporting period, and shall briefly present the following information:

E.2.(b)(1)(A) Implementation status including a comparison of actual accomplishments with the established evaluation benchmarks for the period. If the output of programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

E.2.(b)(1)(B) Reasons why established goals were not met, if applicable, including any problems or difficulties requiring U.S. Government, possibly host country, or implementing organization attention.

E.2.(b)(1)(C) Summary financial report of all project expenditures, by subcomponent.

E.2.(b)(1)(D) Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

E.2.(b)(2) Special Reports

Between the required program performance reporting dates, events may occur that have significant impact upon the program. In such instances, the Grantee shall inform the A.I.D. Project Officer as soon as the following types of conditions become known:

E.2.(b)(2)(A) Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any U.S.G., or possible host country, assistance needed to resolve the situation.

E.2.(b)(2)(B) Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

E.2.(b)(2)(C) If any performance review conducted by the Grantee discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Grant entitled "Revision of Grant Budget," the Grantee shall submit a request for a revision of the grant's financial plan to the Grant Officer and the A.I.D. Project Officer specified in the Cover Letter of this Grant.

E.2.(b)(2)(D) Quarterly updates and proposed modifications of annual work plans, specifically to include travel projected for the subsequent quarter.

E.2.(c) Annual Report of Project

The annual report will be submitted to both EUR/DR, A.I.D. Washington and to the A.I.D. Representative (or the A.I.D. Affairs Officer, Economic Section at the AmEmbassy) in Prague. The annual report will substantively review performance against planned quantitative and qualitative measures. A further funding will be contingent on the Grantee submitting complete reporting, effectively resolving implementation problems, as well as on the availability of funds and any revisions in the overall program structure that A.I.D. may require. Within sixty (60) days following the estimated completion date of this Grant the Grantee shall submit three (3) copies of the final report as indicated in the preceding paragraph. It should include: (1) an executive summary of the Grant's accomplishments or failings; (2) a description of the Grant activities from its inception; (3) significance of these activities; (4) comments and recommendations; and (5) a fiscal

report that describes in detail how the Grant funds were used. In addition, two (2) copies shall be submitted to A.I.D., PPC/CDIE/DI, Washington, D.C. 20523-1802.

E.2.(d) Training Reports

E.2.(d)(1) It is the responsibility of the awardee to contact the cognizant technical project officer for information and requirements regarding participant training. All award recipients in the Europe Bureau and/or the Regional Mission for Europe must be aware that there are Federal, Agency, and Bureau regulations, procedures, and policies which must be followed.

Although in some cases, it is not envisioned that there will be a participant training component in the award when it is made, the awardee is still responsible for contacting the cognizant technical project officer in a timely manner if participant training is later determined to be necessary.

Failure on the part of the awardee to contact A.I.D. regarding participant training at least 6 weeks prior to the beginning of the training start date can result in disapproval of the training by either the A.I.D. Representative, the Project Officer, or the EUR/DR training staff.

The Standard Provision entitled "Participant Training" applies to this Grant (see section L.2. of this Schedule), therefore, the Grantee shall comply with reporting and information requirements of the Standard Provision of this Grant entitled "Participant Training," as well as Chapters 5 and 24 of A.I.D. Handbook 10.

E.2.(d)(2) The Grantee shall also provide five (5) copies of quarterly training reports to the A.I.D. Project Officer, for participant training covered by this Grant. The report shall include the following information:

- The total of new trainees during the period; and
- The following information for each trainee:
 - a. name
 - b. citizenship
 - c. gender
 - d. training site (ISU hall name/other location)
 - e. beginning and ending dates of training
 - f. purpose of training
 - g. type of training activities
 - h. source of funding

E.2.(d)(3) The Grantee shall provide three (3) copies of all training manuals produced under this Grant to the A.I.D. Project Officer.

F. CLOSEOUT PROCEDURES

Procedures contained in Attachment K of OMB Circular A-110, "Grants and Agreements With Institutions of Higher Education, Hospitals, and Other NonProfit ORganizations," shall apply for purposes of closing out this Grant. A copy of this circular will be provided to the Grantee upon request.

G. INDIRECT COSTS

1. Pursuant to the standard provision of this Grant entitled "Negotiated Indirect Cost Rates-Provisional," a rate has been established for each of the Grantee's accounting periods which apply to this Grant. Pending the establishment of revised predetermined, provisional or final indirect cost rates for each of the Grantee's accounting periods which apply to the Grant, payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rates applied to the base which are set forth below:

| <u>Type</u> | <u>Rate</u> | <u>Base</u> | <u>Period</u> | <u>Location</u> |
|-------------|-------------|-------------|----------------------|-----------------|
| Provisional | 47.0% | 1/ | 7/1/91-Until Amended | On Campus |
| Provisional | 27.0% | 1/ | 7/1/91-Until Amended | Off Campus |

1/ Base: Modified total direct cost base. (NICRA dated 1/23/92, copy in file)

Special Remarks - Treatment of paid absences: Vacation, holiday, sick, leave pay and other paid absences are included in "salaries" (see section D of this Schedule.) Separate charges for the costs of these absences are not made.

H. TITLE TO PROPERTY

Title to property acquired hereunder shall vest in the Grantee, subject to the requirements of the Standard Provision of this Grant entitled "Title To and Use of Property (Grantee Title)" regarding use, accountability, and disposition of such property.

I. PROCUREMENT AND (SUB)CONTRACTING

I.1. Authorized Geographic Codes

The total value of procurement of goods and services is estimated to be less than \$250,000, therefore, the order of preference in paragraph (b)(1) of the Standard Provision entitled, "A.I.D. Eligibility Rules for Goods and Services (AUG 1992)" shall apply.

I.2. Procurement Cost Detail

Whenever feasible, the Grantee and/or its subgrantees will be responsible for purchasing the U.S. equipment and commodities required for the technical assistance components of the program. This equipment must be specifically and directly linked to the training programs undertaken under the various subcomponents. The Grantee will be responsible for providing more exact details and specifications of the commodities it proposes to procure, including estimated costs of same, when requesting approval for the procurement of the commodities.

I.3. Air Transportation

The eligibility of air travel and transportation services is determined by the flag registry of the aircraft. The Standard Provision of this Grant entitled "Air Travel and Transportation" applies. Commodities are ineligible for A.I.D. financing hereunder if shipped under an air charter that has not received prior approval of the Grant Officer, regardless of whether such transportation costs are financed hereunder.

I.4. Government Owned Organizations

Notwithstanding the foregoing, a Government Owned Organization, i.e., a firm operated as a commercial company or other organizations (including nonprofit organizations other than public educational institutions) which are wholly or partially owned by governments or agencies thereof, are not eligible as suppliers of goods and commodities, commodity-related services, or services (other than commodity-related services), except as the Grant Officer may otherwise agree in writing.

I.5. Ocean Freight

The Grantee shall not incur any ocean shipment costs, therefore, the Optional Standard Provision, "Ocean Shipment of Goods" is not applicable to this Grant.

J. SPECIAL PROVISIONS

J.1. (Sub)contracting with Nonprofit Organizations

For the purposes of this Grant, references to "OMB Circular A-122" in the Standard Provisions of this Grant shall include the A.I.D. implementation of this Circular, as set forth in Subpart 731.7 of the A.I.D. Acquisition Regulations (AIDAR) (48 CFR Chapter 7).

J.2. Employee Salaries

Except as the Grant Officer may otherwise agree in writing, A.I.D. shall not be liable for reimbursing the Grantee for any costs allocable to the salary portion of direct compensation paid by the Grantee to its employees for personal services which exceed the highest salary level for a Foreign Service Officer, Class 1 (FS-1), as periodically amended.

J.3. Consultant Fees

Compensation for consultants retained by the Grantee hereunder shall not exceed, without specific approval of the rate by the Grant Officer: either the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years; or the maximum rate of a Foreign Service Officer, Class 1 (FS-1) (as periodically amended), whichever is less. A daily rate is derived by dividing the annual compensation by 2,087 and multiplying the result by 8.

J.4. Equipment and Other Capital Expenditures

J.4.(a) Requirement for Prior Approval

Pursuant to the Standard Provisions of this Grant entitled "Allowable Costs" and "Revision of Grant Budget," the Grantee must obtain A.I.D. Grant Officer approval for the following: Purchase of "General Purpose Equipment," which is defined as an article of nonexpendable tangible personal property, the use of which is not limited only to research, medical, scientific, or other activities (e.g., office equipment and furnishings, air conditioning equipment, reproduction and other equipment, motor vehicles, and automatic data processing equipment, having a useful life of more than two years and an acquisition cost of \$500 or more per unit.)

J.4.(b) Approvals

In furtherance of the foregoing, the Grant Officer does hereby provide approval for the following purchases, which shall not be construed as authorization to exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see section C. of this Schedule):

| <u>Item Description</u> | <u>Quantity</u> |
|-------------------------------------|-----------------|
| <u>Hungary</u> | |
| Panasonic color television | 1 |
| Color Monitor | 1 |
| AT 386 IBM (or compatible) Computer | 1 |
| Fax Machine | 1 |
| Computer Monitor Project | 1 |
| Overhead Projectors | 2 |
| One Copier | 1 |
| <u>Czech Republic</u> | |
| Halikan NBD 486SX computer systems | 4 |
| Quattro PRO WIN. (software) | 4 |
| Lotus AMI PRO 3.0 (software) | 4 |

J.4.(c) Exception for Automation Equipment

Any approval for the purchase of automation equipment which may subsequently be provided by the Grant Officer is not valid if the total cost of purchases of automation equipment (e.g. computers, word processors, etc.), software, or related services made hereunder will exceed \$100,000. The Grantee must, under such circumstances, obtain the approval of the Grant Officer for the total planned system of any automation equipment, software, or related services.

J.4(d) Used Equipment

Used equipment may only be purchased with the prior written approval of the Grant Officer.

J.5. Defense Base Act (DBA) and/or Medical Evacuation Insurance

Pursuant to Section J.16. of OMB Circular A-21 the Grantee is authorized to purchase DBA and/or medical evacuation insurance under this Grant.

K. ORDER OF PRECEDENCE

In the event of any inconsistencies in this Grant, they shall be resolved by applying the following descending order of precedence:

Enclosure 1 - Schedule
Cover Letter
Enclosure 3 - Standard Provisions
Enclosure 2 - Program Description

L. STANDARD PROVISIONS

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Standard Provisions denoted by an "X" which are attached hereto and made a part of this Grant:

L.1. Mandatory Standard Provisions For U.S.,
Nongovernmental Grantees

(X) Allowable Costs (November 1985)
(X) Accounting, Audit, and Records (August 1992)
(X) Refunds (September 1990)
(X) Revision of Grant Budget (November 1985)
(X) Termination and Suspension (August 1992)
(X) Disputes (August 1992)
(X) Ineligible Countries (May 1986)
(X) Debarment, Suspension, and Related Matters
(August 1992)
(X) Nondiscrimination (May 1986)
(X) U.S. Officials Not to Benefit (November 1985)
(X) Nonliability (November 1985)
(X) Amendment (November 1985)
(X) Notices (November 1985)
(X) Metric Systems of Measurement (August 1992)

L.2. Additional Standard Provisions For U.S.,
Nongovernmental Grantees

(X) OMB Approval Under the Paperwork Reduction Act
(August 1992)
(X) Payment - Letter of Credit (August 1992)
() Payment - Periodic Advance (January 1988)
() Payment - Cost Reimbursement (August 1992)
(X) Air Travel and Transportation (August 1992)
(X) Ocean Shipment of Goods (August 1992)
(X) Procurement of Goods and Services (November 1985)

- (X) AID Eligibility Rules for Goods and Services (August 1992)
- (X) Subagreements (August 1992)
- (X) Local Cost Financing (August 1992)
- () Patent Rights (August 1992)
- (X) Publications (August 1992)
- () Negotiated Indirect Cost Rates - Predetermined (August 1992)
- (X) Negotiated Indirect Cost Rates - Provisional (August 1992)
- (X) Regulations Governing Employees (August 1992)
- (X) Participant Training (August 1992)
- () Voluntary Population Planning (August 1986)
- () Protection of the Individual as a Research Subject (August 1992)
- () Care of Laboratory Animals (November 1985)
- (X) Government Furnished Excess Personal Property (November 1985)
- (X) Title To and Use of Property (Grantee Title) (November 1985)
- () Title To and Care of Property (U.S. Government Title) (November 1985)
- () Title To and Care of Property (Cooperating Country Title) (November 1985)
- (X) Cost Sharing (Matching) (August 1992)
- () Use of Pouch Facilities (August 1992)
- (X) Conversion of United States Dollars to Local Currency (November 1985)
- (X) Provision on Rights in Data (August 1992)

M. COST SHARING AND OTHER CONTRIBUTIONS

M.1. The Grantee agrees to expend from nonfederal funds not less than the amount shown in the financial plan of this Grant under the column heading "Cost Share" (see section D. of this Schedule).

M.2. Cost sharing is required under this Grant pursuant to section L.2. above, and the Standard Provision entitled "Cost Sharing (Matching)" applies.

M.3. The aforesaid Standard Provision makes reference to project (program) costs. "Project Costs" are defined in Attachment E of OMB Circular A-110 as all allowable costs (as set forth in the applicable cost principles [see the Standard Provision of this Grant entitled "Allowable Costs"]) incurred by a Grantee and the value of in-kind contributions made by the Grantee or third parties in accomplishing the objectives of this Grant during the program.

M.4. Expenses incurred after January 1, 1993 by MUCIA which are funded from nonfederal sources in furtherance of the program may be considered under this column heading.

N. SUBAGREEMENTS

The Standard Provision entitled "Subagreements" shall apply. The Grantee shall obtain the Grant Officer's written approval prior to entering into any subagreements.

O. LIMITATION ON USE OF FUNDS

O.1. The Grantee shall not utilize funds provided by A.I.D. for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference or training in connection with the growth or production in countries other than the United States of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States.

O.2. The reports described in Section E.2.(b) of this Schedule shall contain a statement indicating the projects or activities to which A.I.D. funds have been attributed, and a brief description of the activities which adequately show that United States funds have not been used for the purpose in Section O.1. above.

O.3. The Grantee agrees to refund to A.I.D. upon request an amount equal to any United States funds used for the purposes prohibited by Section O.1. above.

PROGRAM DESCRIPTION

Transfer of Existing Program. In 1993 a major change in the scope of our activities will occur as we focus on Hungary and Czechoslovakia. A two-country focus rather than the three-country focus of the first year will strengthen our initiatives in module revision and adaptation to local market requirements. Joint US and host country faculty involvement in program revision, program implementation, and institutional development of executive education activities in the targeted countries is the dominant intent of year two.

The Professional Managers Program will follow a similar schedule as in 1992. The first modules will be delivered in March, 1993 and conclude in June, 1993. The sequence of modules will be rearranged as a result of lessons learned in the first year. In response to participant requests, the modules will be delivered in a sequence of teaching on Monday, Tuesday, and Wednesday morning and then resume on Thursday afternoon, Friday, and Saturday. This will allow ample time to handle any situations that have arisen at their place of employment.

The enrollment targets in each country have been raised to 40 participants per module. Table 1.4 reflects the module schedules and curriculum for March-June, 1993. The number of US faculty in each module has been decreased to two faculty to allow more involvement on the part of the foreign faculty. The proposed faculty for 1993 is indicated in Appendix B.

As part of our plan to revise and improve the eight modules in Czechoslovakia and Hungary, US faculty will increase their time in each country in order to involve their counterpart faculty in discussion of module objectives and participant needs. Past module analyses suggest that too much material was covered in some modules and that some modules lacked specificity.

Additionally, participant needs will be better understood as a result of background information compiled from the participant applications which will be disseminated to all faculty before the delivery of the program. In addition, six administrative trips have been scheduled to ensure continuity between and among the program modules.

The involvement of host country faculty in the program planning process serves both to give them experience in program development and to build them into a teaching role for some segment of each module. This in turn will provide an opportunity for post program discussion of what went well, what could be done differently in the future, and the necessary steps to be taken in preparing for the next program. This is consistent with a theme of creating sustainability of executive education activities within the targeted countries.

Another procedure we will use to improve the modules in 1993 is to translate selected teaching materials into the local language and make them available with the English version. Additionally, we will have a translator in each module who can be used when necessary. This will improve the continuity of basic foundation building with our participants.

The case writing initiative of the first year produced a number of new teaching materials relevant to local market conditions. The draft versions of these cases are under revision and will be published in 1993 as part of a casebook for use in current and future executive education programs.

After the completion of the PMP in June 1993, we will again invite a select group of core faculty from both Czechoslovakia and Hungary to attend US executive education programs. This will continue their development as executive education teachers, provide an opportunity for them to meet with their counterpart faculty for skills development, and as appropriate, involve them in discussions of a new one-week program to be delivered in the fall of 1993.

In conjunction with this summer schedule, a workshop on developing an executive education strategy for their local markets will be conducted with discussion of new program opportunities, the role of marketing in program development, and building an organization to support executive education. The workshop will build upon initial consultations held in the spring with the academic coordinators in both countries on ways to strengthen local institutions in their abilities to design and market executive education programs to the appropriate target audiences. In the fall, follow-up consultations will provide critiques of planning documents to be developed by each institution.

Resource Adjustments Needed to Implement this Program: To further the efforts of the first year in transferring more local autonomy to the targeted countries, we will increase the monetary and manpower resources for the local institutions. The purchase additional computer equipment, software, books and other reading/reference materials will be provided for each office of the local academic coordinators. Table 1.5 reflects the proposed activities and targets for 1993.

Exporting Module: As mentioned above, a new one-week course will be developed for each local market in consultation with the academic coordinators and counterpart faculty. The program focus will be on creating export markets and is scheduled for the fall of 1993. This module will emphasize international marketing, goods and services, and the financial aspects of exporting.

Evaluation activities will continue to build upon lessons learned in the first year. Participant exit surveys, alumni interviews, and market surveys will be conducted. This is part of a focus on creating a continuous improvement process for existing programs and to create a foundation for new program development.

MUCIA will develop a briefing book of articles, reading lists, reports from year one faculty, and general information on Central Europe to enable our teaching faculty to prepare for the current economic conditions in Czechoslovakia and Hungary.

**APPENDIX B: PROFESSIONAL MANAGERS PROGRAM MODULE TEAMS
MEMBERS -- CZECHOSLOVAKIA and HUNGARY
MARCH - JUNE, 1993**

| AREA AND MODULE TEAMS | |
|--|---|
| ACCOUNTING Hanns Martin Schoenfeld (University of Illinois) Byron R. Ross (University of Iowa) Richard Drechsler (University of Economics, Prague) | LOGISTICS David Closs (Michigan State University) Martha Cooper (Ohio State University) Libor Mudra (University of Economics, Prague) Jozsef Beracs (Budapest University of Economic Sciences) |
| BUSINESS ECONOMICS Bruce Jaffee (Indiana University) Tom Sparrow (Purdue University) Frantisek Kovar (University of Economics, Prague) Marton Vagi (Budapest University of Economic Sciences) | MARKETING Gil Harrell (Michigan State University) Rosann Spiro (Indiana University) Eva Kotlasova (University of Economics, Prague) Pal Varjas (Budapest University of Economic Sciences) |
| FINANCE Andrew Karolyi (Ohio State University) Francis Longstaff (Ohio State University) Pavel Viertl (University of Economics, Prague) Janos Szaz (Budapest University of Economic Sciences) | PRODUCTION Ram Narasimhan (Michigan State University) Howard Strauss (University of Minnesota) Milan Maly (University of Economics, Prague) Jozsef Temesi (Budapest University of Economic Sciences) |
| HUMAN RESOURCE MANAGEMENT Phil Podsakoff (Indiana University) Tim Baldwin (Indiana University) Josef Koubek (University of Economics, Prague) Karoly Balaton (Budapest University of Economic Sciences) | STRATEGY Robert Pricer (University of Wisconsin Madison) Alan Filley (University of Wisconsin Madison) Petr Zaruba (University of Economics, Prague) Laszlo Tihanyi (Budapest University of Economic Sciences) |